

Arbitrage Rebate



BONDLOGISTIX LLC
INSIGHT. INNOVATION. INTEGRATION.

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September 24, 2004

City of Agoura Hills
30001 Ladyface Court
Agoura Hills, CA 91301

Re: \$9,740,000
Agoura Hills Financing Authority
Lease Revenue Bonds
(Civic Center and Library Project)
Series 1999
Interim Arbitrage Rebate Analysis
Computation Period: July 29, 1999 through July 29, 2004

Ladies and Gentlemen:

This report (the "Report"), which is being delivered to you pursuant to our engagement letter, consists of computations and the assumptions on which such computations are based with respect to the rebate liability of the Agoura Hills Financing Authority (the "Issuer") in connection with the above-captioned issue (the "Bonds") for the above-referenced period (the "Interim Computation Period").

The computations herein are based on an analysis of existing laws, regulations, and rulings. The Department of the Treasury ("Treasury") may publish additional regulations and supplement, amend, or interpret such laws, regulations, and rulings from time to time, with the result that the amount of rebate liability described in the Report may be subject to adjustment under such future pronouncements.

The scope of our engagement was limited to preparing the Report based on information supplied to us. In accordance with our engagement letter (which is incorporated herein by reference), our engagement did not include determination of whether securities allocable to proceeds of the Bonds were purchased at fair market value within the meaning of Treasury Regulations, or an audit or review of the investments acquired with gross proceeds or the payment of debt service on the Bonds. With your permission, we have relied entirely on the information provided to us without independent verification, and we express no opinion as to the completeness, accuracy, or suitability of such information for purposes of calculating rebate liability with respect to the Bonds. We have undertaken no responsibility to audit or review the tax-exempt status of interest on the Bonds or any other aspect of the Bond program. We are under no obligation to consider any information obtained by us pursuant to this engagement for any purpose other than determining such rebate liability. Also, we have no obligation to update this Report delivered herewith because of any events occurring, changes in existing laws, regulations, or rulings or interpretations thereof, or data or information received, subsequent to the date hereof.

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NEW YORK

SAN FRANCISCO



For the Interim Computation Period July 29, 1999 through July 29, 2004:

Allowable Yield on Investments:	5.269655%
Cumulative Rebate Liability:	\$66,259.38
Rebate Payment Due:	<u>\$66,259.38</u>

As set forth on Schedule A hereof, the amount to be paid to the United States on or before September 27, 2004 (60 days after July 29, 2004, the end of the fifth Bond Year) is equal to \$66,259.38. This amount is equal to one-hundred percent (100%) of the Cumulative Rebate Liability (reduced by applicable computation date credits). This amount must be remitted with a completed IRS Form 8038-T, a partially completed form of which is attached hereto as Exhibit A. The next rebate installment payment will be due not later than September 27, 2009 (60 days after July 29, 2009, the end of the tenth Bond Year). Should the Bonds be retired prior to July 29, 2009, 100% of the Cumulative Rebate Liability (reduced by any applicable computation date credits) as of such retirement date will become due and payable within 60 days.

This Report is not to be used, circulated, quoted, referred to, or relied upon by any other person without our express written permission.

Very truly yours,

Bond Logistix LLC

Arbitrage Rebate and Penalty in Lieu of Arbitrage Rebate

Under Sections 143(g)(3) and 148(f)

and Sections 103(c)(6)(D) and 103A(i)(4) of the Internal Revenue Code of 1954

Part I Reporting Authority

1 Issuer's name Agoura Hills Financing Authority
2 Issuer's employer identification number 95 : 3797990
3 Number and street (or P.O. box no. if mail is not delivered to street address) 30001 Ladyface Court
4 Report number 7 01
5 City, town, or post office, state, and ZIP code Agoura Hills, CA 91301
6 Date of issue July 29, 1999
7 Name of issue Lease Revenue Bonds (Civic Center and Library Project) Series 1999
8 CUSIP number 00848
9 Name and title of officer or legal representative whom the IRS may call for more information Georgette Holt, Finance Officer
10 Telephone number of officer or legal representative (818) 597-7319
11 Type of issue City Hall and Library Issue price \$ 9,782,515.15
12 Amount of arbitrage rebate previously paid for this issue \$ 0.00
13 If Form 8038, Form 8038-G, or Form 8038-GC was not filed, check here
14 Date of most recently filed Form 8038-T for this issue (MMDDYYYY)
15 Is this the final Form 8038-T for this issue? Yes No

Part II Yield Reduction, Arbitrage Rebate, and Penalty in Lieu of Arbitrage Rebate

16 Amount of yield reduction payment (see instructions) \$ 0.00
Arbitrage Rebate
17 Amount of rebate paid for the period (MMDDYYYY) from 07/29/1999 to 07/29/2004 \$ 66,259.38
18 Penalty for failure to pay arbitrage rebate on time (attach statement) \$ 0.00
19 Interest on underpayment of arbitrage rebate (see instructions) \$ 0.00
Penalty in Lieu of Arbitrage Rebate
20 Number of months since date of issue, check the box: 6 mos 12 mos 18 mos 24 mos Other. No. of mos
21 Available construction proceeds \$ Unspent \$
22 If you elected to terminate the election to pay the penalty in lieu of arbitrage rebate, check one of the following (see instructions): A B
23 Date of termination (MMDDYYYY)
24 Penalty in lieu of rebate \$ 0.00
25 Penalty upon termination \$ 0.00
26 Penalty for failure to pay on time (attach statement) \$ 0.00
27 Interest on underpayment of penalty in lieu of rebate or upon termination (see instructions) \$ 66,259.38
28 Total payment. Add lines 16, 17, 18, 19, 23, 24, 25, and 26. Enter total here \$ 66,259.38

Part III Elections by the Issuer Check "Yes" or "No" for each question (see instructions)

A. Elections made under the 1992 regulations. Did you elect to:
28 Apply the rules under section 148 to determine if the bond complies with section 103(c)(6)(D) of the 1954 Code?
29 Treat the last day of the bond year on a variable yield issue as the computation date?
30 Treat a transitioned variable yield issue as a fixed yield issue?
31 Treat a variable yield bond that is not a tender bond as a fixed yield bond after it converted to a fixed rate?
32 Continue treating an issue as a variable yield issue after all the bonds in the issue converted to a fixed rate?
33 Recompute the yield on a transitioned fixed yield issue?
B. Elections made under the 1993 regulations. Did you elect to:
34 Identify a hedge?
35 Use an actual facts analysis?
36 Exclude earnings on a reasonably required reserve or replacement fund from available construction proceeds?
37 Treat the different purposes of a multipurpose issue as separate issues for purposes of the 2-year exception?
38 Treat each loan of a pooled financing issue as a separate issue for purposes of applying the spending exception?
39 Apply certain provisions of section 1.148-11(b) before the effective date?
40 Apply certain provisions of section 1.148-11A(i) before the effective date?

Under penalties of perjury, I declare that I have examined this return, and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Sign Here Signature of officer Date Type or print name and title